

SCOTT N. SCHOOLS (SCSBN 9990)
United States Attorney

FILED

MAY 30 2007

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
E-filing

UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

SIMON S. YUAN,

Defendant.

CR

07

0338

VIOLATIONS:

26 U.S.C. § 7206(1) - Making and
Subscribing False Tax Returns.

JF

PVT

SAN JOSE VENUE

INFORMATION

The United States Attorney charges:

COUNT ONE: (26 U.S.C. § 7206(1))

On or about May 4, 2003, in the Northern District of California, the defendant

SIMON YUAN

then a resident of Los Altos, California, did willfully make and subscribe a Form 1120- U.S.
Corporation Income Return of Hunan Garden Restaurant (Hunan) for the tax year ending
September 30, 2002, which was verified by a written declaration that it was made under the
penalty of perjury and was filed with the Internal Revenue Service, which corporate income tax
return the defendant did not believe to be true and correct as to every material matter, in that the
defendant willfully omitted material information concerning the total income reported on the
return, in that on line 11 of the corporate income tax return, the defendant claimed that the total

1 income for the tax year ending September 30, 2002 was \$663,933, when in truth and in fact, as
2 the defendant well knew and believed, the total income of Hunan was in excess of that amount.

3 In violation of Title 26, United States Code, Section 7206(1).

4 COUNT TWO: (26 U.S.C. § 7206(1))

5 On or about June 28, 2004, in the Northern District of California, the defendant

6 SIMON YUAN

7 then a resident of Los Altos, California, did willfully make and subscribe a Form 1120- U.S.
8 Corporation Income Return of Hunan Garden Restaurant (Hunan) for the tax year ending
9 September 30, 2003, which was verified by a written declaration that it was made under the
10 penalty of perjury and was filed with the Internal Revenue Service, which corporate income tax
11 return the defendant did not believe to be true and correct as to every material matter, in that the
12 defendant willfully omitted material information concerning the total income reported on the
13 return, in that on line 11 of the corporate income tax return, the defendant claimed that the total
14 income for the tax year ending September 30, 2003 was \$636,207, when in truth and in fact, as
15 the defendant well knew and believed, the total income of Hunan was in excess of that amount.

16 In violation of Title 26, United States Code, Section 7206(1).

17 COUNT THREE: (26 U.S.C. § 7206(1))

18 On or about January 20, 2005, in the Northern District of California, the defendant

19 SIMON YUAN

20 then a resident of Los Altos, California, did willfully make and subscribe a Form 1120- U.S.
21 Corporation Income Return of Hunan Garden Restaurant (Hunan) for the tax year ending
22 September 30, 2004, which was verified by a written declaration that it was made under the
23 penalty of perjury and was filed with the Internal Revenue Service, which incorporate income tax
24 return the defendant did not believe to be true and correct as to every material matter, in that the
25 defendant willfully omitted material information concerning the total income reported on the
26 return, in that on line 11 of the corporate income tax return, the defendant claimed that the total
27 income for the tax year ending September 30, 2004 was \$640,571, when in truth and in fact, as
28 the defendant well knew and believed, the total income of Hunan was in excess of that amount.

1 In violation of Title 26, United States Code, Section 7206(1).
2

3 SCOTT N. SCHOOLS
4 United States Attorney

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6 MARK KROTOSKI
Chief, Criminal Section

7 Approved as to Form

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9 AUSA: JAY R. WEILL
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AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURTBY: ☐ COMPLAINT ☒ INFORMATION ☐ INDICTMENT
☐ SUPERSEDING**OFFENSE CHARGED**26 USC § 7206(1) - 3 counts -
False Tax Return☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony**PENALTY:**26 USC § 7206(1) - 3 yrs imprisonment; \$250,000 fine;
1 yr - supervised release; \$100 Special AssessmentName of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA**DEFENDANT - U.S.**

SIMON S. YUAN

DISTRICT COURT NUMBER

CR 07 0338**DEFENDANT****IS NOT IN CUSTODY**

- 1) ☒ Has not been arrested, pending outcome this proceeding.
If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☐ Is on Bail or Release from (show District)

NORTHERN DISTRICT OF CALIFORNIA

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges

☐ Fed'l ☐ State

If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No

If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted**PROCEEDING**

Name of Complainant Agency, or Person (& Title, if any)

INTERNAL REVENUE SERVICE

☐ person is awaiting trial in another Federal or State Court, give name of court☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:☐ U.S. Att'y ☐ Defense☐ this prosecution relates to a pending case involving this same defendant☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW DOCKET NO.

MAGISTRATE CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

SCOTT N. SCHOOLS

☒ U.S. Att'y ☐ Other U.S. AgencyName of Asst. U.S. Att'y
(if assigned)JAY R. WEILL, AUSA, CHIEF TAX DIV.
(415) 436-7017**ADDITIONAL INFORMATION OR COMMENTS****PROCESS:**☒ SUMMONS ☐ NO PROCESS*☐ WARRANT

Bail Amount: _____

If Summons, complete following:

☒ Arraignment ☐ Initial Appearance

Defendant Address:

949 Altos Oaks Drive
Los Altos, CA 94024

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments: Contact IRS Special Agent George Britton re service of Summons (415) 522-6003